



## U.S.-Czech Commercial Cooperation

The United States and Czech Republic have a strong and growing trade and investment relationship, and we both remain committed to developing it even further. The U.S. is the Czech Republic's largest export market outside Europe, while the Czech Republic was one of the United States' fastest growing export markets in the European Union over the last four years. During that period, our bilateral trade has grown 102 percent, to nearly \$6 billion -- 3.5 times the average bilateral trade increase between the U.S. and the EU nations during that period.

- **Growing U.S. Investment in the Czech Republic.** Since 1992, U.S. firms have been committed investors and strong supporters of developing Czech industry and employment. In 2013, the U.S. accounted for more than \$5 billion in FDI. The U.S. invested \$500 million in 2012, demonstrating its faith in the Czech business environment and creating jobs and prosperity for Czech citizens, even during times of economic uncertainty. U.S. institutional investors own nearly \$5 billion of the \$14 billion in freely traded shares on the Prague Stock Exchange – more than any other nation.
- **Expanding Czech Access to U.S. Markets.** The U.S. is becoming an increasingly important market for Czech investment, with firms like Mitas, Linet and Inekon establishing a manufacturing or sales and distribution presence in the U.S. market. Czech IT firms, such as Javlin and Y Soft, have also launched operations in the U.S. to gain access to new markets and important customers. Czech firms such as AVG and ČEZ have chosen U.S. equity and debt markets to issue securities.
- **Great Employers.** Last year, the U.S. was the second largest non-European foreign direct investor in the Czech Republic and the 7<sup>th</sup> largest overall, bringing value-added investment in the aerospace, electronics, IT, and manufacturing sectors. U.S. firms are not just creating jobs, but fostering a great work environment - five U.S. firms made a recent list of the top ten “best employers” in the Czech Republic. Six of the top 10 “most admired” U.S. firms globally have operations in the Czech Republic.
- **Great Investors.** U.S. firms are consistently recognized for excellence in investment. The Association of Foreign Investors (AFI) and CzechInvest recently awarded Eaton Electric 1<sup>st</sup> Place in the “Investor of the Year – Research and Development” category. SolarWinds took 2<sup>nd</sup> place and AT&T was awarded 3<sup>rd</sup> place in the “Investor of the Year – IT and Shared Services” category.
- **Fostering Innovation.** U.S. firms have gone beyond investing in the Czech Republic as a manufacturing base, creating innovation centers, R&D facilities and engineering hubs. Five of the world's top 10 most innovative U.S. firms do business in the Czech Republic, as do nine of the top 10 most admired U.S. tech companies. Leading American

companies, such as Honeywell, GE, IBM, Ingersoll Rand and Microsoft, do innovative R&D in and with the Czech Republic. Eaton Electric helps sponsor the Areál Vědeckotechnických Parků Rožtoky, which recently was awarded 1<sup>st</sup> place in AFI's "Commercial Real Estate of the Year – Technology Center and Services" category.

- **Large Projects.** U.S. firms are closely involved with some of the Czech Republic's most important industrial projects. The Mayo Clinic is a partner in creating the International Clinical Research Center in Brno. Lawrence Livermore National Laboratory is building one of the world's most powerful lasers to be used at the ELI Beamlines project. The Temelin nuclear power plant runs U.S. safety and operating systems provided by Westinghouse, which has had a continuous presence at the plant and been a part of its success for almost two decades.
- The **Czech-U.S. Economic and Commercial Dialogue**, now completing its third year, has become the focal point for our trade relationship. Through high-level visits, annual meetings and ongoing communication, the Dialogue advances our joint efforts to support trade and investment promotion, work through obstacles to increase market access, and seek out cooperative areas in innovation as a tool to promote commercial cooperation and encourage scientific and research collaboration.
- **Opening Markets.** In 2012, the U.S. and Czech Republic concluded the Reciprocal Defense Procurement Agreement, allowing defense companies in both countries to directly participate in the procurement of supplies, services, and research and development by the Ministry of Defense and Department of Defense.